

OPERATING ENGINEERS LOCAL UNION NO. 3

1654 THE ALAMEDA, SUITE 110, SAN JOSE, CA 95126

(408)289-9691 • FAX (408) 289-1128

Jurisdiction: Northern California, Northern Nevada, Utah, Hawaii, and the
Mid-Pacific Islands

Website: www.oe3.org

December 30, 2010

VIA: U.S. Mail

**Alex Gurza, Director
Office of Employee Relations
City of San Jose
200 East Santa Clara Street
San Jose, California 95113**



RE: Retirement Negotiations

Dear Mr. Gurza;

I have received your letter dated December 17, 2010, you suggest that Retirement Negotiations begin the week of January 10, 2011.

On August 23, 2010, the City of San Jose and the International Union of Operating Engineers Local 3 entered into a Settlement Agreement (Attached). Local 3 withdrew its Unfair Labor Charge that had been filed against the City of San Jose and the City of San Jose agreed that negotiations on retirement issues would not commence no sooner than January 17, 2011.

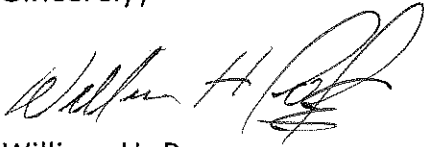
Paragraph 3 of Settlement Agreement refers Information requests regarding retirement issues and the following are Local 3 Initial Information Requests:

- 1) Please provide the Current Asset Allocation of Federated Retirement funds.
- 2) Please provide the 1year, 3 year, and 5 year return of each allocation.
- 3) Please provide the Market Value of the Assets as of June 30,2010.
- 4) Please provide the total number of members the Federated Retirement plan as of June 30, 2010.
- 5) Please provide the total number of active members the Federated Retirement plan as of June 30, 2010.
- 6) Please provide the total number of active members the Federated Retirement plan as of June 30, 2009.
- 7) Please provide the total number of retirees and beneficiaries in the Federated Retirement plan as of June 30, 2010.

- 8) Please provide the total number of retirees and beneficiaries in the Federated Retirement plan as of June 30, 2009.
- 9) Please provide the total number of deferred retirees and beneficiaries in the Federated Retirement plan as of June 30, 2010.
- 10) Please provide the total number of deferred retirees and beneficiaries in the Federated Retirement plan as of June 30, 2009.
- 11) Please provide the average age of Active members.
- 12) Please provide the average years of service of Active members.
- 13) Please provide the average monthly salary for the Active members.
- 14) Please provide the average age and the average monthly retirement payment for Federated Retirees.

Please contact the Local 3 office at 408-289-9691, when the requested information is ready for pickup and review.

Sincerely;

A handwritten signature in black ink, appearing to read 'William H. Pope', with a stylized flourish at the end.

William H. Pope
Business Representative

Attachments

STATE OF CALIFORNIA
PUBLIC EMPLOYMENT RELATIONS BOARD



OPERATING ENGINEERS LOCAL 3,

Charging Party,

v.

CITY OF SAN JOSE,

Respondent.

Case No. SF-CE-661-M

SETTLEMENT AGREEMENT

In the interest of promoting harmonious labor relations between the parties and to avoid the uncertainty, inconvenience, and expense of litigation, the **Operating Engineers Local 3** and the **City of San Jose**, in settlement of the above-captioned unfair practice charge before the Public Employment Relations Board, agree as follows:

1. A dispute has arisen between the parties concerning future retiree healthcare benefits.

2. The City and Local 3 agree to commence negotiations regarding pension and retiree health care benefits, inclusive of cost sharing for those benefits, no sooner than January 17, 2011.

3. If Local 3 has requests for information prior to the commencement of bargaining relevant to pension and retiree healthcare benefits, they shall submit those requests to the City by January 1, 2011. The City agrees to provide responses to those requests no later than two weeks prior to the commencement of bargaining. The information provided will be Public Records subject to disclosure that is readily available and responsive to those requests. This in no way restricts Local 3 from making subsequent information requests once bargaining has commenced.

4. The City and Local 3 agree that a mediator from the State Conciliation Service will be present at no more than five pre-impasse negotiations sessions, unless otherwise agreed to by the parties. The mediator shall act *only* as an observer and shall not participate in the actual negotiations sessions on behalf of either party or make any statements regarding the negotiations, unless otherwise agreed to by the parties. If and when an impasse is declared by either or both parties, the same mediator shall actively assist the parties in reaching a mutual agreement.

5. Should the State Mediation and Conciliation Service charge for the pre-impasse services of the mediator, the City and Local 3 agree to evenly split the cost (\$115/hr) of the mediator's time.

6. Should Local 3 agree to participate in coalition bargaining with other employee organizations regarding this topic, paragraph #4 shall become null and void *unless* all other employee organizations participating in coalition bargaining agree to the terms set forth in paragraph #4 above. If applicable, pre-impasse mediator costs (\$115/hr) shall be evenly split by the City and participating employee organizations.

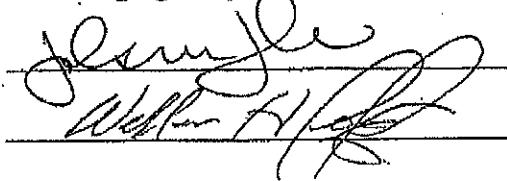
7. Operating Engineers Local 3 hereby withdraws Unfair Practice Charge No. SF-CE-661-M with prejudice.

8. This Settlement Agreement does not constitute an admission of wrongdoing, contract or statutory violation, or liability on the part of any party to this agreement.

9. This Settlement Agreement represents a full and complete resolution of the claims and disputes between the parties based upon the above-referenced matter.

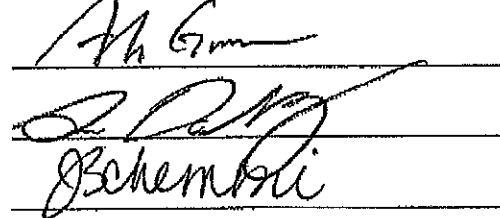
10. The undersigned parties represent that they have read and understand the terms of this settlement and that they are authorized to execute this Settlement Agreement on behalf of their principals.

For Charging Party:



William H. H. H.

For Respondent:



A. H. G.

8/23/10

Date

8/23/10

Date